



Economic Overview And Outlook: Rhode Island

JOBS

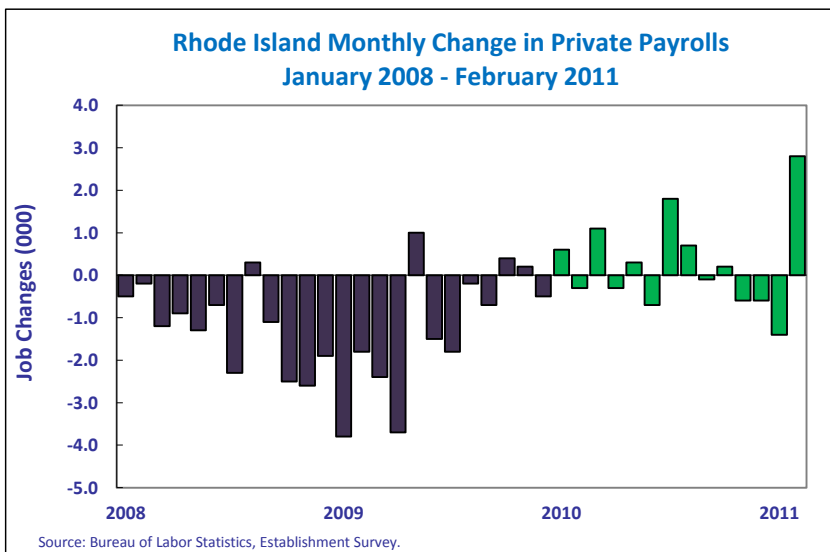
- In February, the private sector gained jobs nationwide for 12 consecutive months.
- In Rhode Island, private sector employment fell by 6.8 percent from January 2008 to February 2010. Since February 2010, private sector employment has grown by 0.8 percent.
- In Rhode Island, employees in the construction, manufacturing, and financial activities sectors faced the largest job losses (as a percent of employment within an industry) over the recession. Since the beginning of 2010, the following sectors in Rhode Island have experienced the greatest employment increases: trade, transportation and utilities; professional and business services; and leisure and hospitality.*
- As the economy recovers from the Great Recession, service-providing industries are projected to add the most jobs between 2008 and 2018, with the largest gains in professional and business services, education, health care and social assistance, and State and local government. Within the goods-producing sector of the economy, only the construction industry is projected to add jobs above its 2008 level.

EMPLOYMENT

- The unemployment rate in Rhode Island was 11.2 percent in February 2011, up 5.2 percentage points from December 2007, but down from its most recent peak of 11.8 percent reached in March 2010.
- 64,000 Rhode Island residents were counted among the unemployed in Rhode Island during February 2011.

EARNINGS

- Between the start of the recession in the 4th quarter of 2007 and the 3rd quarter of 2009, inflation-adjusted total personal income in the United States declined 2.2 percent. Most recently, in the 4th quarter of 2010, total personal income is 0.3 percent above its 4th quarter of 2007 level.



- Real per capita personal income (in 2005 \$) in Rhode Island was \$38,729.00 in the 4th quarter of 2010, up from \$38,505.00 in the 4th quarter of 2008.

HOUSING

- National home prices, including distressed sales, saw a decrease of 5.7 percent in January 2011 from January 2010 compared to a 4.7 percent decrease in December. In Rhode Island, home prices saw a decrease of 4.5 percent in January 2011 from January 2010 following December's year over year decrease of 2.0 percent.
- The median price of single-family homes in Rhode Island was \$230,354 in the second quarter of 2010, compared to \$180,176 nationwide.
- As of the 4th quarter of 2010, 4.2 percent of all mortgages, including 14.5 percent of subprime mortgages, were in foreclosure in Rhode Island.
- Housing starts in Rhode Island totaled 380 units (seasonally adjusted annual rate) in February 2011, a decrease of 34.5 percent from January.
- Within the Northeast census region, which includes Rhode Island, sales of new single-family homes totaled 15,000 units in February 2011, a decrease of 57.1 percent from January. Sales of existing single-family homes decreased 6.5 percent to 580,000 units (at seasonally adjusted annual rates) from January to February 2011.

* For Rhode Island-specific labor sector statistics, please refer to the Rhode Island office: <http://www.dlt.ri.gov/lmi/news/lrelease.htm>

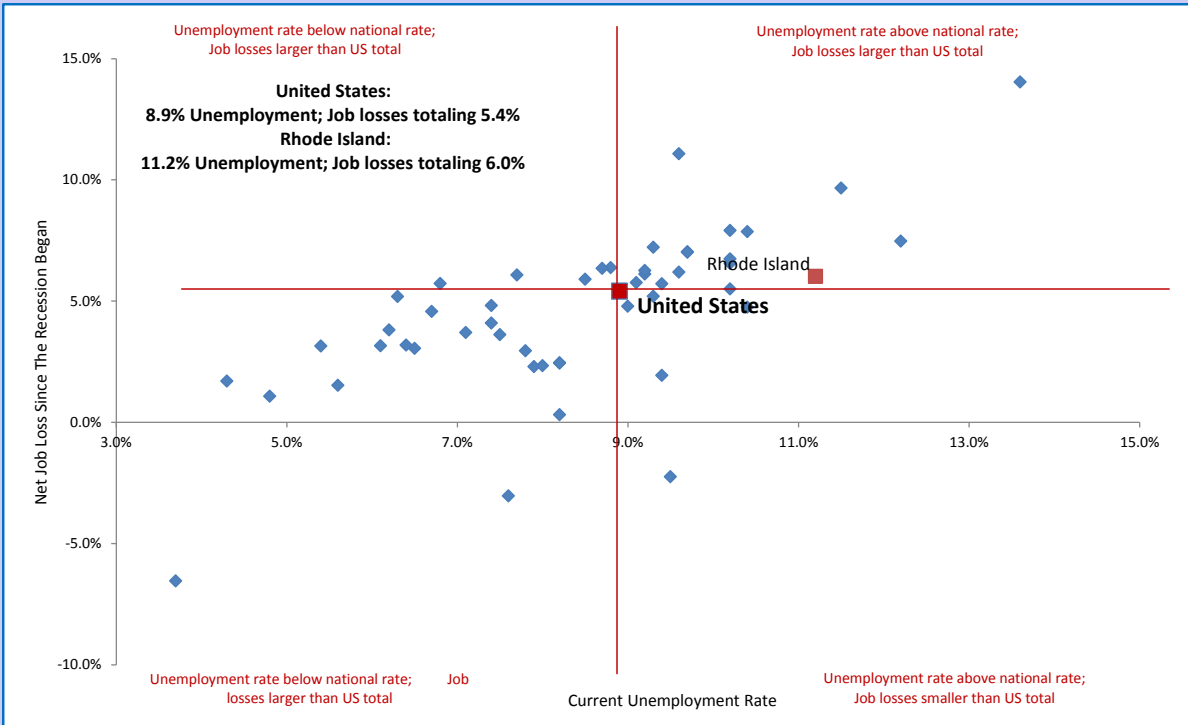
Prepared by the Chairman-designate Staff of the Joint Economic Committee

How Does Rhode Island Compare To Other States?

Workers across the country were hard hit during the Great Recession. Although labor markets in many states have started recovering, employment in most states still remains below pre-recession levels. The chart below allows you to compare Rhode Island to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within Rhode Island since the start of the recession (shown along the vertical axis) measures the toll the recession took on the job supply in Rhode Island.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant have unemployment rates job losses (or even gains) lower than the national average.



STATE QUICK FACTS

		Rhode Island	United States
Unemployment Rates	February 2008	6.4%	4.8%
	February 2009	9.8%	8.2%
	February 2010	11.8%	9.7%
	February 2011	11.2%	8.9%
Percent of Population Who Are Veterans	2009	6.1%	7.1%
Veterans' Unemployment Rate	2009	6.7%	8.9%
Median Household Income	2007	\$ 56,079	\$ 51,965
	(2009 \$)	2009	\$ 49,777
Poverty Rate	2007	9.5%	12.5%
	2009	13.0%	14.3%
No Health Insurance	2007	10.8%	15.3%
	2009	12.3%	16.7%